

SECOND REGULAR SESSION

SENATE BILL NO. 624

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SHOEMYER.

Pre-filed December 1, 2009, and ordered printed.

TERRY L. SPIELER, Secretary.

3293S.011

AN ACT

To repeal section 99.1090, RSMo, and to enact in lieu thereof one new section relating to downtown revitalization preservation redevelopment projects.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 99.1090, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 99.1090, to read as follows:

99.1090. 1. A municipality shall submit an application to the department
2 of economic development for review and determination as to approval of the
3 disbursement of the project costs of one or more redevelopment projects from the
4 downtown revitalization preservation fund. The department of economic
5 development shall forward the application to the commissioner of the office of
6 administration for approval. In no event shall any approval authorize a
7 disbursement of one or more redevelopment projects from the downtown
8 revitalization preservation fund which exceeds the allowable amount of other net
9 new revenues derived from the redevelopment area. An application submitted to
10 the department of economic development shall contain the following, in addition
11 to the items set forth in section 99.1086:

12 (1) An estimate that one hundred percent of the local sales tax increment
13 deposited to the special allocation fund must and will be used to pay
14 redevelopment project costs or obligations issued to finance redevelopment project
15 costs to achieve the objectives of the redevelopment plan. **Contributions to the
16 redevelopment project from any private not-for-profit organization or
17 local contributions from tax abatement or other sources may be
18 substituted on a dollar-for-dollar basis for the local match of one
19 hundred percent of economic activity taxes from the fund;**

20 (2) Identification of the existing businesses located within the
21 redevelopment project area and the redevelopment area;

22 (3) The aggregate baseline year amount of state sales tax revenues
23 reported by existing businesses within the redevelopment project area. Provisions
24 of section 32.057, RSMo, notwithstanding, municipalities will provide this
25 information to the department of revenue for verification. The department of
26 revenue will verify the information provided by the municipalities within
27 forty-five days of receiving a request for such verification from a municipality;

28 (4) An estimate of the state sales tax increment within the redevelopment
29 project area after redevelopment. The department of economic development shall
30 have the discretion to exempt smaller projects from this requirement;

31 (5) An affidavit that is signed by the developer or developers attesting
32 that the provision of subdivision (2) of subsection 2 of section 99.1086 has been
33 met;

34 (6) The amounts and types of other net new revenues sought by the
35 applicant to be disbursed from the downtown revitalization preservation fund
36 over the term of the redevelopment plan;

37 (7) The methodologies and underlying assumptions used in determining
38 the estimate of the state sales tax increment; and

39 (8) Any other information reasonably requested by the department of
40 economic development.

41 2. The department of economic development shall make all reasonable
42 efforts to process applications within a reasonable amount of time.

43 3. The department of economic development shall make a determination
44 regarding the application for a certificate allowing disbursements from the
45 downtown revitalization preservation fund and shall forward such determination
46 to the commissioner of the office of administration. In no event shall the amount
47 of disbursements from the downtown revitalization preservation fund approved
48 for a project, in addition to any other state economic redevelopment funding or
49 other state incentives, exceed the projected state benefit of the redevelopment
50 project, as determined by the department of economic development through a
51 cost-benefit analysis. Any political subdivision located either wholly or partially
52 within the redevelopment area shall be permitted to submit information to the
53 department of economic development for consideration in its cost-benefit
54 analysis. Upon approval of downtown revitalization preservation financing, a
55 certificate of approval shall be issued by the department of economic development
56 containing the terms and limitations of the disbursement.

57 4. At no time shall the annual amount of other net new revenues approved
58 for disbursements from the downtown revitalization preservation fund exceed

59 fifteen million dollars.

60 5. Redevelopment projects receiving disbursements from the downtown
61 revitalization preservation fund shall be limited to receiving such disbursements
62 for twenty-five years. The approved term notwithstanding, downtown
63 revitalization preservation financing shall terminate when redevelopment
64 financing for a redevelopment project is terminated by a municipality.

65 6. The municipality shall deposit payments received from the downtown
66 revitalization preservation redevelopment fund in a separate segregated account
67 for other net new revenues within the special allocation fund.

68 7. Redevelopment project costs may include, at the prerogative of the
69 state, the portion of salaries and expenses of the department of economic
70 development and the department of revenue reasonably allocable to each
71 redevelopment project approved for disbursements from the downtown
72 revitalization preservation fund for the ongoing administrative functions
73 associated with such redevelopment project. Such amounts shall be recovered
74 from new state revenues deposited into the downtown revitalization preservation
75 fund created under section 99.1092.

76 8. A redevelopment project approved for downtown revitalization
77 preservation financing shall not thereafter elect to receive tax increment
78 financing under the real property tax increment allocation redevelopment act,
79 sections 99.800 to 99.865, and continue to receive downtown revitalization
80 financing under sections 99.1080 to 99.1092.

81 9. The department of economic development may establish the procedures
82 and standards for the determination and approval of applications by the
83 promulgation of rules and publish forms to implement the provisions of this
84 section and section 99.1092.

85 10. Any rule or portion of a rule, as that term is defined in section
86 536.010, RSMo, that is created under the authority delegated in this section and
87 section 99.1092 shall become effective only if it complies with and is subject to all
88 of the provisions of chapter 536, RSMo, and, if applicable, section 536.028,
89 RSMo. This section, section 99.1092, and chapter 536, RSMo, are nonseverable
90 and if any of the powers vested with the general assembly under chapter 536,
91 RSMo, to review, to delay the effective date, or to disapprove and annul a rule are
92 subsequently held unconstitutional, then the grant of rulemaking authority and
93 any rule proposed or adopted after August 28, 2005, shall be invalid and void.